

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE CHIEF FINANCIAL OFFICER

Office of Tax and Revenue



NOTICE REGARDING ELECTRONIC FILING REQUIREMENTS

April 28, 2003

**Requirement to File Certain Monthly Withholding Tax Returns and
To Make Withholding Tax Payments Electronically**

Pursuant to Section 47-4402(c) of the D.C. Official Code, the Office of Tax and Revenue (OTR) published final regulations in the D. C. Register on April 11, 2003, that required business taxpayers filing Employer Withholding tax returns to file and pay taxes electronically, if the amount of the payment due for a period exceeds \$25,000. The District has set a goal to increase the amount of electronic filing and payment of taxes. Eventually, all business taxpayers will be required to file and pay all taxes electronically. Pursuant to this notice, **for all tax returns and payments due beginning June 1, 2003**, electronic filing and payment will be required for all business taxpayers filing monthly Employer Withholding tax returns, where the payment due for a filing period exceeds \$25,000. This requirement applies to those business taxpayers (including third-party bulk filers), whether located in the District or outside the District.

OTR will identify the current taxpayers that meet the criteria to file and pay electronically – business taxpayers of monthly withholding tax where the current payment due for the tax period generally exceeds \$25,000. Those designated taxpayers will be sent a letter to notify them of the electronic filing requirement. The OTR letter will include the steps to be followed by the taxpayer (or the taxpayer's representative) to register for electronic filing and payment of withholding taxes. Within 30 days of the date of this OTR letter, taxpayers will be required to register with OTR to file and pay electronically. Once registration is completed, each taxpayer will receive a **User ID** and **Password** that will allow them 24-hour access to the OTR Electronic Filing System to file and pay monthly withholding tax returns (Form FR-900M).

The final regulations also establish penalties for the failure to file and pay electronically. These penalties will apply where the taxpayer has been identified and notified in writing to comply with the new electronic filing requirement and has failed to do so.

If you have e-filing questions regarding this requirement or electronic access, please contact **Lucy Murray**, deputy director in the OTR Information Systems Administration, at (202) 442-6391, or (202) 442-6366. If you have a legal question regarding this requirement, please contact **William Bowie**, attorney-advisor in the OTR General Counsel's Office, at (202) 442-6512.

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